

AR80

CANADA PERMANENT MORTGAGE CORP.

8

EASTERN &  
CHARTERED  
TRUST  
COMPANY  
ANNUAL  
REPORT  
1966



78





## Board of Directors

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*Honorary Chairman*  
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*Chairman*  
Partner, McInnes, Cooper & Robertson

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*President*  
Director, The Imperial Life Assurance  
Company of Canada

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*Vice-President*  
Director, Montreal Life Insurance Company

\*R. A. JODREY, LL.D., D.C.L., Hantsport, N.S.  
*Vice-President*  
President, Minas Basin Pulp & Power Co. Ltd.

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*Vice-President*  
Chairman, Nova Scotia Light and Power Co.  
Ltd.

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*Vice-President*  
Chairman, Terminal Warehouses Limited

\*HON. JOHN B. AIRD, Q.C., Toronto, Ont.  
Partner, Edison, Aird & Berlis

S. G. BENNETT, M.C., Toronto, Ont.  
Director, Dominion Stores Limited

\*SIDNEY M. BLAIR, Toronto, Ont.  
Vice-Chairman, Canadian Bechtel Limited

W. J. BORRIE, Vancouver, B.C.  
Chairman, Pemberton Securities Ltd.

\*T. A. BOYLES, Toronto, Ont.  
Executive Vice-President, The Bank of Nova  
Scotia

JOHN R. BRADFIELD, Toronto, Ont.  
Chairman, Noranda Mines Limited

C. F. W. BURNS, Toronto, Ont.  
Chairman, Burns Bros. & Denton Limited

A. KIRK CAMERON, Westmount, P.Q.  
Vice-President, Investment Foundation Ltd.

\*E. R. E. CARTER, Toronto, Ont.  
President, The Patino Mining Corporation

J. M. RICHARD CORBET, Toronto, Ont.  
Director, United Accumulative Fund Ltd.

EDWARD F. CREASE, Halifax, N.S.  
President, A. J. Bell & Grant Limited

HON. T. A. CRERAR, Q.C., Winnipeg, Man.

G. E. ELLSWORTH, Toronto, Ont.  
President, The Toronto Iron Works Limited

C. M. P. FISHER, Sackville, N.B.  
Vice-President, The Enterprise Foundry Co.  
Ltd.

S. L. FOUNTAIN, Halifax, N.S.  
President, North-Eastern Corporation, Ltd.

HON. LOUIS P. GÉLINAS, M.B.E., Montreal, P.Q.  
Geoffrion, Robert & Gélinas, Inc.

JEAN-J. GOURD, Q.C., Montreal, P.Q.  
Partner, Gourd, Monette, Lesage & Groleau

GEORGE L. HOLMES, F.S.A., Toronto, Ont.  
Chairman, The Manufacturers Life Insurance  
Company

HON. GORDON B. ISNOR, Halifax, N.S.

\*H. R. JACKMAN, Q.C., Toronto, Ont.  
President, Dominion & Anglo Investment  
Corporation Limited

R. H. JENKINS, Calgary, Alta.  
President, Glendale Properties Ltd.

\*J. H. MOWBRAY JONES, D.ENG., Liverpool, N.S.  
Director, The Bowater Paper Corporation  
Limited, London, England

\*OAKAH L. JONES, Toronto, Ont.  
President and General Manager  
The Consumers' Gas Company

E. D. LOUGHNEY, Pittsburgh, U.S.A.  
Executive Vice-President, Gulf Oil Corporation

SIR DENYS LOWSON, BART., London, England  
Chairman, Algoma Central Railway

HON. J. KEILLER MACKAY, D.S.O., V.D., Q.C.,  
LL.D., D.C.L., Toronto, Ont.  
Former Lieutenant-Governor of Ontario

A. MURRAY MACKAY, LL.D., Halifax, N.S.  
Chairman, Maritime Telegraph & Telephone  
Co. Ltd.

JOHN MACNEIL, Q.C., Sydney, N.S.  
Partner, MacNeil, MacNeil & Colborne

MAYNARD A. METCALF, C.B.E., Montreal, P.Q.  
Vice-President, Canadian National Railways  
(retired)

NORMAN J. MCLEAN, Toronto, Ont.  
Director, Canada Packers Limited

S. C. OLAND, C.D., V.D., LL.D., Halifax, N.S.  
Chairman, Oland & Son Limited

JOHN J. ROBINETTE, Q.C., Toronto, Ont.  
Counsel, McCarthy & McCarthy

DAVID P. ROGERS, Toronto, Ont.  
Chairman, Union Gas Co. of Canada Limited

J. A. SCYTHES, Toronto, Ont.  
Chairman, Scythes and Company Limited

WALLACE W. SMITH, Lunenburg, N.S.  
President, National Sea Products Ltd.

J. W. SPEIRS, Winnipeg, Man.  
President, Modern Dairies Ltd.

CHARLES N. WILSON, Saint John, N.B.  
President, The Standard Dredging Co. Ltd.

KENNETH A. WILSON, Q.C., Montreal, P.Q.  
Counsel, Lafleur and Brown

MANUEL I. ZIVE, D.C.L., Halifax, N.S.  
President, S. P. Zive & Son Ltd.

\*Members of Executive Committee



## President's Report/Rapport du Président

To the Shareholders of  
Eastern & Chartered Trust Company:

Your Directors have pleasure in submitting herewith the Balance Sheet, Statement of Income and Statement of Undivided Profits of the Company for the year ended December 31st, 1966. The Company had a satisfactory year. In keeping with our policy of providing shareholders with more information you will note the Statement of Income sets out the classifications of our operating revenue and expenses. Net profit for the year was 8.34% higher than in 1965. The transfer to mortgage reserve of \$894,000 was in keeping with our policy of transferring to such reserve, before taxation, the maximum amount allowed by the Income Tax Act.

Guaranteed Investment Certificates increased substantially by reason of our customers taking advantage of the rates which were paid on these securities. While our savings deposits declined in amount, there was a substantial growth in the number of individual customers who made use of these facilities in our various offices. Fees and commissions from estates, trusts and agencies showed a healthy growth.

Since our last report we lost three directors by death and two by resignation. Mr. J. M. Macintosh, Q.C., a Vice-President, and Mr. John D. Hayes were for many years directors of Chartered Trust Company. Dr. W. A. Curry, F.R.C.S. served in the same capacity with Eastern Trust Company. It is with genuine sorrow that we record the death of these three gentlemen. In August Mr. G. S. Cowan, Q.C. resigned to become a Judge of the Supreme Court of Nova Scotia and at the end of the year Mr. Norman Whittall of Vancouver resigned by reason of retirement from active business. For many years all of

*Aux actionnaires de  
Eastern & Chartered Trust Company*

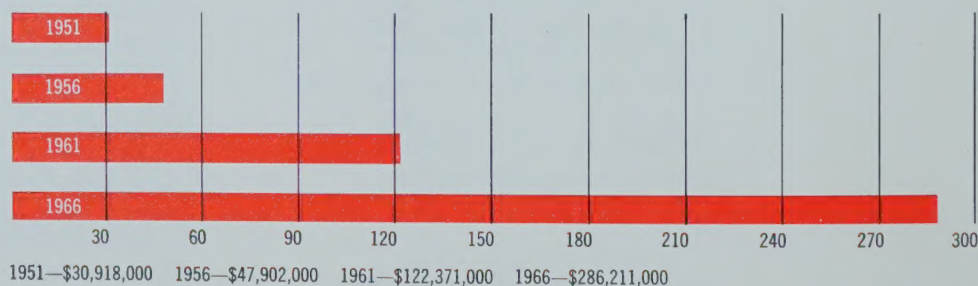
*Si on examine le bilan, l'état des revenus et l'état des profits non répartis de la compagnie au 31 décembre 1966, on constate que l'année écoulée a été satisfaisante. Nous nous sommes conformés à la tendance qui, de nos jours, veut que l'on informe davantage les actionnaires; aussi on remarquera que l'état des revenus énumère les classifications de nos revenus et pertes. Nous enregistrons pour l'année écoulée un profit net de 8.34% supérieur à celui de 1965. Le transfert de \$894,000 opéré à la réserve pour hypothèques est conforme à la ligne de conduite que nous nous sommes dictée de transférer à ladite réserve la somme maximum exemptable de l'impôt par la Loi de l'impôt sur le revenu.*

*Le bilan indique une hausse importante des certificats de placements garantis achetés par nos clients qui ont ainsi profité des taux d'intérêt versés sur ces valeurs. Au cours de l'année dernière, nous avons épuisé les dépôts spéciaux à court terme, ce qui a eu pour effet de ralentir la croissance générale du compte de dépôts garantis.*

*Depuis notre dernier rapport, nous avons déploré le décès de trois directeurs; deux autres ont résigné leurs fonctions. En effet, nous avons été affligés par la perte de trois grands serviteurs de la maison: M. J. M. Macintosh, C.R. et M. John D. Hayes, qui avaient été directeurs de Chartered Trust Company. Le Dr W. A. Curry, F.R.C.S. a rempli les mêmes fonctions chez Eastern Trust Company. Au mois d'août dernier, M. G. S. Cowan, C.R. a résigné ses fonctions pour devenir juge de la cour suprême de la Nouvelle-Ecosse puis, à la fin de l'année, M. Norman Whittall de Vancouver a pris sa retraite. Pendant plusieurs années, tous se sont grandement dévoués pour assurer l'essor de nos compagnies, avant et après leur fusionnement. Leur départ laisse un grand vide au sein de la compagnie et la prive de leurs judicieux conseils.*

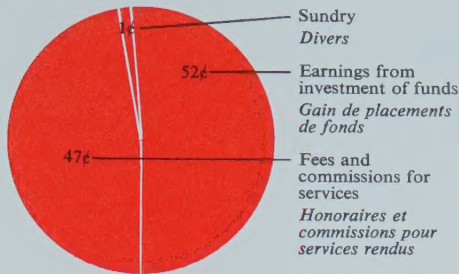
Growth of Savings Deposits and Guaranteed Certificates (Millions)

*Augmentation des dépôts d'épargne et des certificats (en millions)*

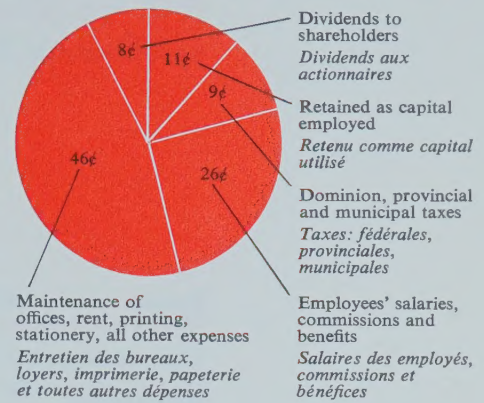




How each dollar of income was derived in 1966  
Source de chaque dollar de revenu en 1966



How each dollar of income was used in 1966  
Répartition de chaque dollar de revenu en 1966



these men made a valuable contribution to the predecessor and amalgamated companies and their presence and advice will be sorely missed from the board.

The year 1966 will be remembered in Canadian economic history as one of many strikes, inflation, higher taxation and a 'Monetary Crisis' during the late summer. Interest rates rose to a level not seen in Canada for very many years. In view of the conditions prevailing your directors followed a policy of strengthening the liquidity of the Company and also adopted a conservative growth policy so far as expansion was concerned. The Company evidenced its confidence in the continued growth of the two communities by acquiring large real estate businesses in Metropolitan Montreal and in Metropolitan Vancouver. These, together with existing real estate offices in other branches, puts your Company in a leading position amongst trust companies in the real estate market from coast to coast. The successful activities of all the real estate sales and management forces of the Company justified the expansion of this type of service. The Company also had a very active year in its work on behalf of corporate clients.

With the expected early enactment of the Deposit Insurance Act by the Federal Government and with the signs of an easing of the monetary position we look forward to an increased growth in all departments and branches of our business in 1967.

*H.E. Langford*

President  
H. E. Langford

L'année 1966 restera marquée dans l'histoire de l'économie du Canada comme une année traversée par des grèves, l'inflation, la hausse des impôts et, à la fin de l'été, une "crise monétaire" qui a entraîné une rareté de l'argent et une majoration des taux d'intérêt. Devant cet état de choses, les administrateurs ont renforcé la liquidité de la compagnie et ont envisagé l'expansion de celle-ci avec modération.

La compagnie a fait l'acquisition d'importantes maisons immobilières tant à Montréal qu'à Vancouver. Ces bureaux, joints aux départements d'immeuble de nos succursales placent votre compagnie au premier rang des compagnies de fiducie dans le marché de l'immeuble d'un océan à l'autre. Les activités des administrations et des effectifs de vente immobilière des sociétés dont la compagnie s'est porté acquéreur durant l'année, ont déjà justifié leur acquisition. En plus de l'immeuble, la compagnie a été particulièrement active dans l'administration de successions et dans l'oeuvre accomplie pour le compte des sociétés qu'elle dessert.

Nous formulons l'espoir que le gouvernement fédéral mettra la Loi des dépôts de garantie des compagnies d'assurance en vigueur le plus tôt possible. D'autre part, devant la détente qui s'annonce dans la situation monétaire, nous pouvons envisager un nouvel essor pour nos affaires au cours de l'année 1967, essor auquel participeront toutes nos succursales.

*H.E. Langford*

Président  
H. E. Langford

## Balance Sheet

as at December 31, 1966

Assets	1966	1965
Cash on hand and in banks.....	\$ 3,113,040	\$ 2,559,721
SECURITIES:		
Government of Canada and Provincial. \$54,615,577		
Canadian Municipal..... 10,937,340		
Other bonds and debentures..... 20,703,249		
Stocks..... 8,338,412		
	94,594,578	89,298,945
Loans on collateral securities.....	563,744	771,477
Advances to estates, trusts and agencies.....	608,019	408,725
Accrued interest on investments.....	2,639,656	2,481,535
Mortgages, less reserve.....	200,817,038	205,611,611
Office premises—cost less depreciation .....	1,847,906	1,788,089
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

### Auditors' Report to the Shareholders

We have examined the balance sheet of Eastern & Chartered Trust Company as at December 31, 1966 and the statements of income and undivided profits for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have verified the cash, bank balances and securities of the company. ✓✓✓✓✓

The assets held for Guaranteed Trust Account and for Estates, Trusts and Agencies are kept separate from the company's own assets and are so recorded on the books of the company as to show the accounts to which they belong. ✓

In our opinion, the accompanying balance sheet and statements of income and undivided profits, when read in conjunction with the notes appended thereto, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company. ✓

Toronto, January 20, 1967

PEAT, MARWICK, MITCHELL & CO.  
Chartered Accountants



Liabilities	1966	1965
GUARANTEED TRUST ACCOUNT:		
Savings deposits.....	\$113,120,740	\$117,154,902
Guaranteed investment certificates.....	172,449,371	157,416,980
Special deposit certificates.....	640,396	10,843,994
	<u>\$286,210,507</u>	<u>\$285,415,876</u>
Accounts due and accrued.....	47,445	86,647
Dividend payable January 2, 1967.....	207,129	206,926
Provision for income taxes.....	297,393	114,345
	<u>\$286,762,474</u>	<u>\$285,823,794</u>
SHAREHOLDERS' EQUITY:		
Capital stock:		
Authorized—1,300,000 shares of \$10 par value		
Issued and fully paid—591,797 shares.....	5,917,970	5,914,270
General reserve.....	10,584,982	10,576,102
Undivided profits.....	918,555	605,937
	<u>\$ 17,421,507</u>	<u>\$ 17,096,309</u>
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

We certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the company's affairs.

H. E. LANGFORD, *President*

DONALD MCINNIS, *Chairman*

W. DENT SMITH, *Vice-President*

## Statement of Income

for the year ended December 31

1966

1965

### Operating Revenue

Interest from mortgages.....	\$14,228,190	\$13,030,316
Interest and dividends from bonds, notes and stocks.....	5,307,969	5,049,229
Fees and commissions from estates, trusts and agencies...	5,126,749	4,318,954
Other operating revenue.....	156,513	127,652
	<u>\$24,819,421</u>	<u>\$22,526,151</u>

### Operating Expenses

Interest on savings, deposits and trust certificates.....	\$13,738,076	\$12,445,749
Salaries, commissions and staff benefits.....	5,086,142	4,258,108
Other operating expenses.....	3,025,974	3,076,776
Depreciation.....	99,037	96,194
	<u>\$21,949,229</u>	<u>\$19,876,827</u>

Net profit before Income Taxes.....	\$ 2,870,192	\$ 2,649,324
Income Taxes attributable to above profit.....	1,300,000	1,220,000
Net profit for the year.....	<u>\$ 1,570,192</u>	<u>\$ 1,429,324</u>

Amount transferred to mortgage reserve.....	\$ 894,000	\$ 861,000
<del>Reduction in income taxes resulting therefrom.....</del>	<del>464,900</del>	<del>447,700</del>
	<u>\$ 429,100</u>	<u>\$ 413,300</u>
Amount transferred to Undivided Profits.....	<u>\$ 1,141,092</u>	<u>\$ 1,016,024</u>

## Statement of Undivided Profits

for the year ended December 31

1966

1965

Balance of undivided profits at beginning of year.....	\$ 605,937	\$ 617,515
Balance of profits for year after appropriation.....	1,141,092	1,016,024
	<u>\$ 1,747,029</u>	<u>\$ 1,633,539</u>
DEDUCT:		
Dividends.....	828,474	827,602
Transfer to reserve for investments.....	—	200,000
Balance at end of year.....	<u>\$ 918,555</u>	<u>\$ 605,937</u>

### Notes:

- 370 shares of the capital stock of the company were taken up by senior personnel under option agreement at \$34 per share. Of the \$12,580 received, \$3,700 was applied to capital stock and \$8,880 was applied to general reserve. A balance of 564 shares remains under option exercisable on or before December 31, 1967.
- Government of Canada and Provincial Securities are stated at not in excess of amortized cost. Other securities are stated at not in excess of quoted market value.
- Of the aggregate amount set aside as reserves for mortgages and investments \$3,330,000 has been applied to reduce the carrying value of each of Canadian Municipal securities, other bonds and debentures and stocks to not in excess of quoted market values at December 31, 1966. The balance of such reserves has been applied against the carrying value of mortgages and miscellaneous assets.
- Profits and losses on securities, and income taxes applicable thereto, have been excluded from the statement of undivided profits and recorded in reserve for investments.



## Location of Offices across Canada



## Management

### HEAD OFFICE

#### *President*

HENRY E. LANGFORD, Q.C.

#### *Vice-Presidents*

K. BURN, Q.C.

R. P. HOWARD

#### *Deputy General Manager*

E. G. DEWLING

#### *Assistant General Managers*

J. E. BROOME

T. G. SHEARD

H. G. SOWARD, F.C.I.S., *Secretary*

E. E. SPENCER

A. E. STEAD, C.A.

#### *Treasurer*

J. F. MILLER

#### *Comptroller*

J. F. MARSHALL, C.A.

#### *National Mortgage Supervisor*

J. R. MARTIN

#### *National Mortgage Inspector*

J. E. FEENER

#### *Chief Inspector*

S. B. WARE

### REGIONAL OFFICES

#### **Toronto**

E. J. BROWN, *Assistant General Manager*

H. T. COOLING, *Associate Secretary*

G. SCHAKELAAR, *Assistant Comptroller*

#### **Montreal**

I. G. SEWELL, *Assistant General Manager*

D. B. LANE, *Assistant Secretary*

#### **Halifax**

M. A. NORTH, *Assistant General Manager*

W. C. MATTHEWS, *Assistant Secretary*

K. D. NAUGLER, *Assistant Treasurer*

#### **Vancouver**

H. K. NAYLOR, *Assistant General Manager*







For a century and a quarter this familiar spot has been the focal point and at the very heart of commercial life in this old city. Sensing a state of vigorous growth in the early 1840's, an enterprising printer and newspaper publisher, named Henry Chubb erected a brick building on the north-west corner of Prince William and Princess Streets to house his expanding business. Later to be called "Chubb's Corner" it was a popular meeting place for men of the business community. Here at noon—as a continuation of the Merchants' Exchange—were to be found businessmen, politicians, spectators and casual citizens stopping for a few minutes to buy or sell, or simply hear the gossip of the day. Here it was that debts were paid, barristers discussed lawsuits, and ships were chartered.

For decades, Chubb's building carried a bulletin board for the posting of public and legal notices. These included notices of auction sales and from the mid 1840's it became the established practice to auction off ships and real estate, particularly those properties involving foreclosures, on the curb at Chubb's Corner, no matter the time of year or the weather.

The great fire of 1877 that wiped out two-thirds of the city reduced Chubb's Corner to a smoking ruin. But Henry Chubb's son George was quick to rebuild and a new building, classic in design,

somewhat Greek in detail, was completed the following year. Its most distinguished features were 16 raised stone heads carved in panels over the third floor windows. They included likenesses of Chubb and Mayor Earl as well as other leading citizens and were the work of James McAvity. They were the subject of much discussion as to who had been depicted and how complimentary were the likenesses. One outraged citizen wrote to the press convinced the building "had been highly disfigured by these meaningless heads, which stand out boldly in all their ugliness . . . We trust no more of our public buildings will be adorned by such buffoonery."

Once more the historic corner became a great centre of commercial speculation and the Chubb firm now used the building for banking and exchange activities as well as for its extensive publishing business. With the passing of time there came a change in owners and in the use of the building.

It was acquired by The Eastern Trust Company, which established a branch in Saint John in 1901, was modernized in 1962 and is now one of the 36 offices across Canada of Eastern & Chartered Trust Company. It will be observed in the photograph that legal notices are still displayed in the case set in the marble facing of the building and the occasional auction sale still takes place at this historic spot.



*Office of Tri-Town Realty Division—85 Metropolitan Blvd., Pointe Claire, Que.*

## Regional Boards

### Atlantic

D. C. CAMPBELL	Fredericton
EDWARD F. CREASE	Halifax
C. M. P. FISHER	Moncton
S. L. FOUNTAIN	Halifax
G. ELLIOTT FULL	Charlottetown
HON. GORDON B. ISNOR	Halifax
E. L. HICKMAN	St. John's
R. A. JODREY	Hantsport
J. DRUMMOND MACGREGOR	New Glasgow
J. C. MACKEEN	Halifax
A. MURRAY MACKAY	Halifax
JOHN MACNEIL, Q.C.	Sydney
DONALD MCINNES, Q.C.	Halifax
S. C. OLAND	Halifax
WALLACE W. SMITH	Lunenburg
C. N. WILSON	Saint John
M. I. ZIVE	Halifax

### Quebec

*(All residents of Montreal)*

A. E. BALLOCH	JEAN-J. GOURD, Q.C.
A. KIRK CAMERON	C. G. GREENSHIELDS, Q.C.
J. A. DELALANNE	MAYNARD A. METCALF
ALBERT S. FRASER	WILLIAM H. WALLACE
HON. LOUIS P. GÉLINAS	KENNETH A. WILSON, Q.C.

### Ontario

*(All residents of Toronto unless otherwise shown)*

HON. JOHN B. AIRD, Q.C.	
S. G. BENNETT	
SIDNEY M. BLAIR	
T. A. BOYLES	
JOHN R. BRADFIELD	
C. F. W. BURNS	
E. R. E. CARTER	
J. M. RICHARD CORBET	
JOHN M. COYNE, Q.C.	Ottawa
G. E. ELLSWORTH	
D. H. HENDERSON	Hamilton
GEORGE L. HOLMES	
H. R. JACKMAN, Q.C.	
OAKAH L. JONES	
HENRY E. LANGFORD, Q.C.	
HON. J. KEILLER MACKAY	
NORMAN J. MCLEAN	
JOHN J. ROBINETTE, Q.C.	
DAVID P. ROGERS	
J. A. SCYTHES	
W. DENT SMITH	

## Branch Advisory Boards

### Newfoundland



#### St. John's

E. L. HICKMAN,  
*Chairman*  
LEWIS H. M. AYRE  
HON. CAMPBELL  
MACPHERSON, O.B.E., LL.D.  
E. J. PHELAN, Q.C.  
E. A. PRATT  
P. B. RENDELL  
H. D. ROBERTS, M.D.  
G. M. STIRLING, Q.C.  
WILLIAM A. TILLER

### Prince Edward Island



#### Charlottetown

G. ELLIOTT FULL,  
*Chairman*  
R. L. COTTON  
N. H. DEBLOIS  
J. A. McMILLAN, M.D.  
H. B. SCHURMAN

### New Brunswick



#### Saint John

C. N. WILSON,  
*Chairman*  
J. ROSS CORBETT  
ROBERT L. EMERSON  
ROY M. LAWSON  
HUGH H. MACKAY  
G. CLIFFORD McAVITY  
H. L. McMACKIN

#### Moncton

C. M. P. FISHER,  
*Chairman*  
JOHN BURCHILL  
A. L. COMEAU  
A. G. ENGLISH  
J. K. GRAINGER  
W. G. STEWART, Q.C.

#### Fredericton

D. C. CAMPBELL,  
*Chairman*  
BRIGADIER E. C. BROWN  
B. L. JEWETT, M.D.  
ARTHUR MCF.  
LIMERICK, Q.C.  
FRANK I. MORRISON



## Nova Scotia



### Halifax

Office at Halifax is advised by Atlantic Regional Board

### South Shore, Lunenburg

WALLACE W. SMITH,  
*Chairman*

JAMES R. CREASER  
LYLE D. HOPKINS  
LEON J. IVERSEN  
J. H. MOWBRAY JONES  
HON. J. J. KINLEY  
MURRAY MOSHER  
STANLEY S. RAFUSE  
ROSS N. RITCEY

### New Glasgow

J. DRUMMOND  
MACGREGOR, *Chairman*

J. SIMON FRASER  
DONALD R. MACKAY  
E. C. MINGO  
A. J. SEARS  
THOMAS C. SEDGWICK, Q.C.

### Sydney

JOHN MACNEIL, Q.C.,  
*Chairman*

ROY D. DUCHEMIN, Q.C.  
GORDON ELMAN  
JAMES G. HACKETT, Q.C.  
D. OWEN HARTIGAN  
DANIEL A. MACDONALD  
RUSSELL G. URQUHART

## Quebec



### Montreal

Offices in Montreal are advised by Quebec Regional Board

## Ontario



### Hamilton

D. H. HENDERSON,  
*Chairman*

K. B. PAULIN  
T. F. RAHILLY, JR.  
J. G. SMITH

### Ottawa

JOHN M. COYNE, Q.C.,  
*Chairman*  
A. E. NORCROSS  
P. STUART SECORD, O.B.E.

## Manitoba



### Winnipeg

HON. T. A. CRERAR,  
*Chairman*

J. W. SPEIRS,  
*Vice-Chairman*  
JOHN F. BALDNER  
S. PRICE RATTRAY  
T. BRUCE ROSS

## Alberta



### Calgary

HON. HARRY HAYS,  
*Chairman*

W. N. GRABURN  
R. H. JENKINS  
CHARLES KENNEDY  
J. ANGUS MCKINNON  
JOHN STEVENSON

## British Columbia



### Vancouver

W. J. BORRIE,  
*Chairman*

GEO. C. BRADLEY  
J. L. GIBSON  
T. H. MCCLELLAND  
R. DOUGLAS WELCH  
NORMAN R. WHITTALL  
HAROLD M. WRIGHT

### Kamloops

J. R. PYPER,  
*Chairman*

T. A. BULMAN  
R. I. DALGLEISH  
M. C. FRENCH, C.A.  
C. C. TERNAN

## Branches and Management

### MARITIMES

#### **St. John's, Newfoundland**

275 Water St.,  
Manager, J. B. ELLS

#### **Charlottetown, Prince Edward Island**

154 Richmond Street,  
Manager, A. MACM. JAMIESON

#### **Halifax, Nova Scotia**

MURRAY A. NORTH,  
Assistant General Manager  
5160 Prince Street,  
Assistant Manager, F. D. HILTZ

#### **Lunenburg, Nova Scotia**

36 King Street,  
Manager, F. W. CHENHALL

#### **New Glasgow, Nova Scotia**

141 Provost Street,  
Manager, C. D. FULMORE

#### **Sydney, Nova Scotia,**

199 Charlotte Street,  
Manager, A. C. MACGREGOR

#### **Saint John, New Brunswick**

111 Prince William St.,  
9 Charlotte St.,  
Manager, J. C. MACLEOD

#### **Moncton, New Brunswick**

814 Main Street,  
Manager, J. E. DINGWELL

#### **Fredericton, New Brunswick**

67 Carleton St.,  
Manager, R. B. MACKENZIE

### QUEBEC

#### **Montreal,**

I. G. SEWELL, Assistant General Manager  
625 Dorchester Blvd. West,  
Manager, D. B. LANE

1326 Greene Ave. (Westmount),  
Manager, J. WIGGLESWORTH

Real Estate  
J. DRAPER, Manager,  
(Tri-Town Realty Division)  
85 Metropolitan Blvd., Pointe Claire  
Manager, L. W. L. RICHARDS

### ONTARIO

#### **Hamilton, Ontario**

7 King St. E.,  
Manager, H. CAMERON AIRD

#### **Ottawa, Ontario**

Blackburn Bldg.,  
91 Sparks Street,  
Manager, S. MENTIPLY

### METROPOLITAN TORONTO

E. J. BROWN, Assistant General Manager  
Administrative Offices, 1901 Yonge Street,

Corporate Services,  
H. T. COOLING, J. C. MALCOLM  
Estates,

B. C. LOGAN, ELIZABETH ROBSON

Mortgage,  
H. E. THRIFT

Real Estate  
R. J. KING (Commercial)  
D. W. YOUNG (Residential)

Savings,  
W. R. DAY  
Securities,  
G. BROKMANN

#### **34 King St. West,**

Savings,  
Manager, W. H. TESKEY  
Ass't. Manager, COLIN CURRIE

#### **Deer Park,**

10 St. Clair Ave. West,  
Manager, LYLE H. WILSON  
Real Estate  
PAUL McLAUGHLIN

#### **Eglinton Square,**

Manager, PAUL ABBOTT

#### **Kingsway,**

2972 Bloor St. West,  
Manager, D. H. BOYD

#### **Lawrence Plaza,**

Bathurst St.—Lawrence Ave.,  
Manager, G. H. CLEMENT

#### **Weston,**

1943 Weston Rd.,  
Manager, L. LOEVENMARK



**Yorkdale,**  
Dufferin at  
Macdonald-Cartier Freeway,  
Manager, BRANT WILSON

**York Mills Shopping Centre,**  
2518 Bayview Ave., Willowdale,  
Manager, J. M. ROBERTSON

**61 Yonge Street,**  
Business Development,  
ALEX MILLS  
Corporation Sales,  
E. M. MILLER  
Savings,  
F. R. CORDICK

## **WEST**

**Winnipeg, Manitoba,**  
394 Portage Ave.,  
Manager, N. A. EDWARDS

**Saskatoon, Sask.,**  
406 Birks Bldg.,  
165 Third Avenue South,  
Mortgage Officer, J. R. MARKHAM

**Calgary, Alberta,**  
480 - 7th Avenue S.W.,  
Manager, E. R. JONES

**Edmonton, Alberta,**  
209 Clarke Bldg.,  
10160 - 102nd Street,  
Mortgage Officer, T. B. CAPPIS

**Kamloops, British Columbia,**  
330 Seymour St.,  
Manager, J. D. LANK

**Vancouver, British Columbia,**  
Assistant General Manager:  
H. K. NAYLOR  
400 Burrard St.  
Assistant Manager: J. F. BRIGGS, C.A.  
2154 West 41st Avenue (Kerrisdale)  
Manager: J. W. ROGERS

Richmond Square (655 No. 3 Road)  
Savings Supervisor: MRS. WILMA POIRIER

Real Estate Offices  
General Supervisor for B.C.: R. E. BARR  
General Sales Manager: J. B. ERICKSON  
400 Burrard St.  
Commercial Sales Manager: N. D. WISE  
4488 Main St.  
Sales Manager: H. VAN BERKEL  
2001 West 41st Ave. (Kerrisdale)  
Sales Manager: D. W. MAYNARD  
1844 Lonsdale Ave. (North Vancouver)  
Sales Manager: J. P. HOLMES

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## **Eastern & Chartered Trust Services**

- Savings Accounts
- Guaranteed Investment Certificates
- Savings Certificates
- Safety Deposit Boxes at most offices
- First Mortgage Loans
- Sale and Management of Real Estate
- Trustee for Pension Plans
- Investment Funds

### **for individuals**

- Estate Planning
- Executor and Trustee
- Investment Management
- Trustee of Voluntary Trusts
- Committee of Property of incapacitated persons
- Retirement Savings Plans

### **for corporations, firms, institutions**

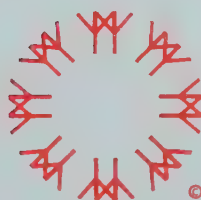
- Transfer Agent and Registrar
- Dividend and Coupon Paying Agent
- Escrow Agent
- Trustee under Bond Issues
- Trustee of Employee Pension and Profit Sharing Funds
- Liquidator and Trustee in Bankruptcy
- Scrutineer Services for Corporate Proceedings

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You are invited to visit any of our offices for information concerning our services.

Mail enquiries will receive prompt attention. There is no obligation.

Booklets are available which describe in more detail most of our services.







# EASTERN & CHARTERED TRUST COMPANY ANNUAL REPORT 1966

*File*

## Statement of Income

for the year ended December 31

1966

1965

### Operating Revenue

Interest from mortgages.....	\$14,228,190	\$13,030,316
Interest and dividends from bonds, notes and stocks.....	5,307,969	5,049,229
Fees and commissions from estates, trusts and agencies...	5,126,749	4,318,954
Other operating revenue.....	156,513	127,652
	<u>\$24,819,421</u>	<u>\$22,526,151</u>

### Operating Expenses

Interest on savings, deposits and trust certificates.....	\$13,738,076	\$12,445,749
Salaries, commissions and staff benefits.....	5,086,142	4,258,108
Other operating expenses.....	3,025,974	3,076,776
Depreciation.....	99,037	96,194
	<u>\$21,949,229</u>	<u>\$19,876,827</u>

Net profit before Income Taxes.....	\$ 2,870,192	\$ 2,649,324
Income Taxes attributable to above profit.....	1,300,000	1,220,000
Net profit for the year.....	<u>\$ 1,570,192</u>	<u>\$ 1,429,324</u>

Amount transferred to mortgage reserve.....	\$ 894,000	\$ 861,000
Reduction in income taxes resulting therefrom.....	464,900	447,700
	<u>\$ 429,100</u>	<u>\$ 413,300</u>
Amount transferred to Undivided Profits.....	<u>\$ 1,141,092</u>	<u>\$ 1,016,024</u>

## Statement of Undivided Profits

for the year ended December 31

1966

1965

Balance of undivided profits at beginning of year.....	\$ 605,937	\$ 617,515
Balance of profits for year after appropriation.....	1,141,092	1,016,024
	<u>\$ 1,747,029</u>	<u>\$ 1,633,539</u>
DEDUCT:		
Dividends.....	828,474	827,602
Transfer to reserve for investments.....	—	200,000
Balance at end of year.....	<u>\$ 918,555</u>	<u>\$ 605,937</u>

### Notes:

- 370 shares of the capital stock of the company were taken up by senior personnel under option agreement at \$34 per share. Of the \$12,580 received, \$3,700 was applied to capital stock and \$8,880 was applied to general reserve. A balance of 564 shares remains under option exercisable on or before December 31, 1967.
- Government of Canada and Provincial Securities are stated at not in excess of amortized cost. Other securities are stated at not in excess of quoted market value.
- Of the aggregate amount set aside as reserves for mortgages and investments \$3,330,000 has been applied to reduce the carrying value of each of Canadian Municipal securities, other bonds and debentures and stocks to not in excess of quoted market values at December 31, 1966. The balance of such reserves has been applied against the carrying value of mortgages and miscellaneous assets.
- Profits and losses on securities, and income taxes applicable thereto, have been excluded from the statement of undivided profits and recorded in reserve for investments.

## Balance Sheet

as at December 31, 1966

Assets	1966	1965
Cash on hand and in banks.....	\$ 3,113,040	\$ 2,559,721
SECURITIES:		
Government of Canada and Provincial. \$54,615,577		
Canadian Municipal..... 10,937,340		
Other bonds and debentures..... 20,703,249		
Stocks..... 8,338,412		
	94,594,578	89,298,945
Loans on collateral securities.....	563,744	771,477
Advances to estates, trusts and agencies.....	608,019	408,725
Accrued interest on investments.....	2,639,656	2,481,535
Mortgages, less reserve.....	200,817,038	205,611,611
Office premises—cost less depreciation .....	1,847,906	1,788,089
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

### Auditors' Report to the Shareholders

We have examined the balance sheet of Eastern & Chartered Trust Company as at December 31, 1966 and the statements of income and undivided profits for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have verified the cash, bank balances and securities of the company.

The assets held for Guaranteed Trust Account and for Estates, Trusts and Agencies are kept separate from the company's own assets and are so recorded on the books of the company as to show the accounts to which they belong.

In our opinion, the accompanying balance sheet and statements of income and undivided profits, when read in conjunction with the notes appended thereto, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

Toronto, January 20, 1967

PEAT, MARWICK, MITCHELL & CO.  
Chartered Accountants



Liabilities	1966	1965
GUARANTEED TRUST ACCOUNT:		
Savings deposits.....	\$113,120,740	\$117,154,902
Guaranteed investment certificates.....	172,449,371	157,416,980
Special deposit certificates.....	640,396	10,843,994
	<u>\$286,210,507</u>	<u>\$285,415,876</u>
Accounts due and accrued.....	47,445	86,647
Dividend payable January 2, 1967.....	207,129	206,926
Provision for income taxes.....	297,393	114,345
	<u>\$286,762,474</u>	<u>\$285,823,794</u>
SHAREHOLDERS' EQUITY:		
Capital stock:		
Authorized—1,300,000 shares of \$10 par value		
Issued and fully paid—591,797 shares.....	5,917,970	5,914,270
General reserve.....	10,584,982	10,576,102
Undivided profits.....	918,555	605,937
	<u>\$ 17,421,507</u>	<u>\$ 17,096,309</u>
	<u>\$304,183,981</u>	<u>\$302,920,103</u>

We certify that to the best of our knowledge and belief the above statement is correct and shows truly and clearly the financial condition of the company's affairs.

H. E. LANGFORD, *President*

DONALD MCINNES, *Chairman*

W. DENT SMITH, *Vice-President*

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Partner, McInnes, Cooper & Robertson

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Scotia

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Vice-President, The Enterprise Foundry Co.  
Ltd.

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President, North-Eastern Corporation, Ltd.

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Geoffrion, Robert & Gélinas, Inc.

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Partner, Gourd, Monette, Lesage & Groleau

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Limited, London, England

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The Consumers' Gas Company

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Executive Vice-President, Gulf Oil Corporation

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Chairman, Algoma Central Railway

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LL.D., D.C.L., Toronto, Ont.  
Former Lieutenant-Governor of Ontario

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Chairman, Maritime Telegraph & Telephone  
Co. Ltd.

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Partner, MacNeil, MacNeil & Colborne

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(retired)

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Director, Canada Packers Limited

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Chairman, Oland & Son Limited

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Counsel, McCarthy & McCarthy

DAVID P. ROGERS, Toronto, Ont.  
Chairman, Union Gas Co. of Canada Limited

J. A. SCYTHES, Toronto, Ont.  
Chairman, Scythes and Company Limited

WALLACE W. SMITH, Lunenburg, N.S.  
President, National Sea Products Ltd.

J. W. SPEIRS, Winnipeg, Man.  
President, Modern Dairies Ltd.

CHARLES N. WILSON, Saint John, N.B.  
President, The Standard Dredging Co. Ltd.

KENNETH A. WILSON, Q.C., Montreal, P.Q.  
Counsel, Lafleur and Brown

MANUEL I. ZIVE, D.C.L., Halifax, N.S.  
President, S. P. Zive & Son Ltd.

\*Members of Executive Committee